"Protecting the Employment Rights of Those Who Protect the United States"

Thursday, November 8, 2007

Chairman Kennedy, Senator Enzi and members of the committee, I am pleased to appear before you today. My name is Rich Halbrook, and I currently serve as the Executive Vice President of Administration and Human Resources for the Dollar Thrifty Automotive Group.

Dollar Thrifty Automotive Group, Inc. (DTG) is a Fortune 1000 Company headquartered in Tulsa Oklahoma. The Company's two brands, Dollar Rent A Car and Thrifty Car Rental, serve value-conscious travelers in approximately 70 countries. Dollar and Thrifty have over 800 corporate and franchised locations in the United States and Canada, operating in virtually all of the top U.S. airport markets: both brands operate in all of the top Canadian airport markets. The Company's more than 8,500 employees are located mainly in North America, but global service capabilities exist through an expanding international franchise network.

Dollar Thrifty has been recognized for several initiatives and services, but among these we are most proud of are the ones that that point to our integrity and support of the Armed Services and our employees in the Armed Services. Briefly, Dollar Thrifty was named one of America's Most Trustworthy Companies by Forbes in March of 2007. We believe that says a lot about the values we hold and our integrity. However, most important to the topic before this committee and why we were invited here this morning was the Distinguished Service Award we received this year from the National Defense Transportation Association (NDTA), and most recently, the 2007 Secretary of Defense Employer Support Freedom Award.

Dollar Thrifty Automotive Group, Inc. was one of 15 U.S. employers out of 1,200 nominations, to have been honored with the **2007 Secretary of Defense Employer Support Freedom Award** by the National Committee for Employer Support of the Guard and Reserve (ESGR), an agency of the Department of Defense.

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Accepting the award on Dollar Thrifty's behalf at a special awards dinner was Dollar Thrifty President and CEO, Gary Paxton. The celebration took place Sept. 12 at the Ronald Reagan Building and International Trade Center in Washington, D.C.

Thomas F. Hall, Assistant Secretary of Defense for Reserve Affairs, said at the event, "In the military, the best leaders are those who always take care of their people – and it is no different in the civilian workplace."

We couldn't agree more. And with that lead in, let me give you some history about our experience with the Uniformed Services Employment and Reemployment Rights Act, USERRA.

When presented with the requirements of the amended USERRA, our CEO, Gary Paxton, asked that my department explore what this would mean for DTG employees serving our country. Overall, our summary look at the USERRA showed that we were compliant with the act:

There are a lot of details behind these basic requirements which are contained the 20 plus pages of the act itself, and at Dollar Thrifty we decided to not just be compliant with the Act, but to take additional steps that would reflect our culture, which puts our people as our number one priority. These enhancements were fairly straightforward and included:

- 1) If the base pay the employee receives during their military leave is less than the pay they would have received while continuing to work for DTG, then DTG would make regular deposits equal to this difference. Forms and administrative procedures were developed to handle this aspect of the policy.
- 2) USERRA requires the continuation of health care at the full premium level or 102% of the full premium. We know that this amount can be significant, as this is the amount associated with COBRA coverage when an employee leaves our company. So the second enhancement was to extend heath coverage to the employee at the same rate per month that they would pay if they were still working full-time at DTG. This is a much lower amount than the full premium called for under USERRA. Most of our

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employees on leave will likely find their coverage under the Armed services policy more than adequate for just themselves, but our concern here was also for family coverage situations where there may be the need for the continuation of the Dollar Thrifty coverage.

3) We would also make any Employee Assistance Plan counseling available to the returning Military employee to aid them in their transition back to civilian life.

The employees of Dollar Thrifty and our culture are what we find makes the difference for our employees going on extended Military leave, and that is something that can't be implemented by a formal policy.

For several years now, DTG has taken an active stance toward our overall culture and employee morale. We have a set of core values that we aspire to. These values are 1) our customers, 2) our people, 3) continuous improvement, and 4) results. To assist us in realizing these values, we have over 150 employees that are Cultural Ambassadors. These employees go through formal training on the basics you would expect, such as hiring skills, new employee orientation, new employee retention, employee recognition, and employee communications. However, they are also trained on 'Bring on The Fun', a program that entails hosting fun events to build morale and team spirit.

It is against this backdrop that our employees choose, on their own, to correspond with co-workers on military leave, post pictures in the hallways, hold "Good Luck & Godspeed" going away parties and more importantly, "Welcome Back" parties.

It is our managers who know and recognize what military experience and assignments do in the way of developing an employee and their leadership skills. These managers in turn tend to find new assignments and promotional opportunities for employees returning from military services. An example is the case of Marine Corporal Blake Milam, who, shortly after his return, applied for and received a promotion to a new position.

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There are always areas of opportunity where we can improve at DTG, specifically in the treatment of our employees who go on military leave, or are involved with the Reserves. That is the nature of a company who is led by a Marine -- our CEO, Gary Paxton -- who demands we keep raising the bar.

Overall, we are extremely grateful to all the men and women of our armed services and we honor their service. Dollar Thrifty is especially proud of those service members that are also our employees and we are humbled beyond all words for the nomination submitted by Corporal Milam. The resulting award from the Secretary of Defense Employer Support Freedom Award was unexpected and certainly makes us want to confirm that we are truly doing everything we can for these honorable men and women. When you couple this recognition with the 2007 National Defense Transportation Association (NDTA) Distinguished Service Award and the 2006 ESGR Pro Patria Award, we at Dollar Thrifty are simply overwhelmed by the attention and recognition being given to us for what seems to us as simply "doing the right thing".

I believe that the hearing of this committee will also clearly showcase the 'right thing to do' with regards to the USERRA and our service men and women.

In closing, permit me to return to my earlier comments on The Freedom Award, and why we were so proud to have received it. Recipients of this award were nominated by their employees, who voluntarily serve in the National Guard and Reserve, and who recognized the exceptional support their company gave them above the requirements of federal law.

I'd like to read you now the letter that Marine Corporal Blake Milan wrote on our behalf in his nomination of our company:

"I was deployed with Weapons Co. 1st Battalion, 25th Marines, to Fahlujah, Iraq for about eight months. I was the radio operator for my platoon.

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Basically, for the Battalion, I was the voice of "Whiskey 3" and for Whiskey 3, I was the voice of the Battalion. We pretty much operated as a police force in Fahlujah.

When I got off active duty and returned to reserve status, I already had my old job at Dollar Thrifty waiting for me. All my fellow employees had a welcome home party for me at work: Cake, balloons and a huge card. I even had department directors and "big wigs" I had only heard of come down to shake my hand. I had been activated on December 1, 2005 and was back to work in November 2006. I was given two raises and a healthy profit share that quickly went to bills and relieved much of my stress. Overtime was always there when I asked. My fellow employees even took time out of their day to help me relearn my job!

In December, I applied for a new position in the company and was moved up to where I am now in January. Even now, almost a year later, I still have people coming up to me asking, "What did you do over there?" I just smile and say, "I did my time and came home." Honestly, who wants to hear all that? It's almost surreal to think that a year ago I was shooting and being shot at daily. If I didn't have this job at Dollar Thrifty Automotive Group — if I had to look for a job with that many bills and that much stress and that much happening all at once — I wouldn't be where I am today. And I'm very happy where I am today.

That's why I nominated my company for the Freedom Award . . . for making my transition back to the real world possible.

Sincerely, Marshall "Blake" Milam

Thank you Corporal Milam. We were just doing our duty as well.

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Our CEO Gary Paxton, said the following about this nomination and award::

"Dollar Thrifty is honored to receive this prestigious award on behalf of all its employees," said Gary L. Paxton, president and CEO of Dollar Thrifty. "For all they do for us, we want all our Guard and Reserve members to know we will steadfastly support them should they be called to duty."

Again, thank you for inviting me here today, and I look forward to answering any questions any of you may have.